



Minnesota Department of **Human Services**

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Human Services, Revenue Commissioners discuss child care access proposals in Mankato

MANKATO, Minn. – Commissioners from the Minnesota Departments of Human Services and Revenue visited Mankato today to highlight proposals from Gov. Mark Dayton that will make quality child care accessible for thousands of middle class and low-income families.

The governor’s budget will invest \$99.9 million in child care tax credit relief for 130,000 middle class families. It will also provide \$17.6 million to increase access to quality child care for nearly 10,000 families with low incomes.

“Every child deserves excellent early learning opportunities to prepare to succeed in school,” said Human Services Commissioner Lucinda Jesson. “But right now, access to child care is still a significant barrier for too many families. More than 6,000 children are on a waiting list for child care assistance and many more can’t afford or find quality programs that will help prepare them for kindergarten.”

The proposals are part of Gov. Dayton’s \$367 million investment in children and families over the next two years. These efforts would put more money in the pockets of hundreds of thousands of working families, and help ensure all children have the care, support, and safety they need to succeed in school and life.

“The governor’s plan to expand Minnesota’s Child and Dependent Care Credit will save real money for thousands of Minnesota families with young children or other dependents, such as aging parents and family members with disabilities,” said Revenue Commissioner Cynthia Bauerly. “It would more than triple the number of families eligible for the credit and increase the maximum credit.”

During a visit to Crystal Born’s child care, a four-star Parent Aware-rated program in Mankato, the commissioners read to preschool-age children and made a springtime craft. Born, who studied early childhood education and has operated her child program for more than a decade, said improving access to quality early child care is a smart move for the state.

“The earlier a child begins to enjoy and have fun with learning, it not only enhances their future learning, but it means they’ll be more successful in school and all parts of life,” Born said. “Helping parents with the cost of care means they’ll be able to choose what’s best to prepare their child for kindergarten and beyond.”

A closer look at the governor's proposals

Department of Revenue

Gov. Dayton is proposing a \$99.9 million expansion of the existing Dependent and Child Care Tax Credit. Under current law, the credit provides direct tax relief to just 38,000 Minnesota families. But the plan proposed by Governor Dayton this session would ensure that a total of 130,000 low- and middle-income families would receive the tax credit by increasing the household income cap from \$39,000 to between \$110,000 and \$124,000.

Currently Minnesota has the third highest day care costs in the nation. Most families in the state pay \$901 for child care per month. Under the proposal, families could receive up to \$2,100 in credit to help cover the cost. The average tax credit per family will be \$481.

The credit would also apply to families paying for dependent care for disabled or aging family members. The plan would keep the credit refundable, while retaining Minnesota's exceptions for newborns and daycare providers.

A [fact sheet on the proposal](#) is also available.

Department of Human Services

The governor's recommendation for Human Services includes:

- \$12.5 million to reduce the Basic Sliding Fee Child Care waiting list by providing additional funding targeted to counties with the longest lists.
- \$1.6 million to simplify Child Care Assistance Program requirements by tying authorized hours of care to a child's need, rather than the parent's work schedule.
- \$3.5 million to sustain [Parent Aware](#), the state's quality rating system, with continued funding for the rating process and coaching to participating programs.

Over the next biennium, these proposals will reach at least 400 families a month through Child Care Assistance Program simplifications, remove more than 1,300 children from Basic Sliding Fee waiting lists, and serve 8,000 children who receive assistance in highly rated Parent Aware programs.

A [fact sheet on the proposals](#) is on the DHS website.